



Imation To Acquire Memorex For \$330 Million

The Memorex storage brand will live on in the consumer space, Imation said.

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Imation Corp. said it will acquire Memorex International for \$330 million in cash and said their merged product lines will create a "new global powerhouse in the data storage industry."

The Memorex unit, with its strong consumer brand, will remain based in Cerritos, Calif. Imation noted that Memorex' position as a leader in recordable CDs and DVDs will strengthen Imation's consumer brand.

Memorex reported \$430 million in revenue in fiscal 2005 and \$205 million for the next two quarters. Imation reported \$1.26 billion for its 2005 fiscal year, it was reported Thursday.

Imation said it will keep the Memorex brand and seek to add technology advances that it has developed. Although Imation has a sizable consumer presence, most of its data storage products address the business sector.

Memorex has had a long and circuitous history. Founded in 1961 as a manufacturer of recordable magnetic tape for data storage, it entered into a vigorous competition with IBM. Many innovators in the storage industry cut their teeth at Memorex. The company was acquired by Radio Shack's Tandy Corp. in 1982 and again by Hong Kong-based Hanny Holdings in 1996.

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